



City of Tigard

Workshop Meeting Minutes

TIGARD CITY COUNCIL

MEETING DATE/TIME: October 16, 2012 – 6:30 p.m.

MEETING LOCATION: City of Tigard – Town Hall, 13125 SW Hall Blvd., Tigard, OR 97223

1. Workshop Meeting

A. At 6:33 p.m. Mayor Dirksen called the meeting of the Tigard City Council to order.

B. Deputy City Recorder Krager called the roll:

	Present	Absent
Councilor Wilson	✓	
Council President Buehner	✓	
Mayor Dirksen	✓	
Councilor Henderson	✓	
Councilor Woodard	✓	

C. Pledge of Allegiance

D. Council Communications & Liaison Reports: Councilor Woodard will be attending the MACC meeting tomorrow. He reported that Tigard will receive another distribution estimated at \$42,000.

Councilor Woodard reported that the Parks and Recreation Board (PRAB) scheduled a goal-setting activity in November and will discuss development and acquisition of remaining properties. He said Paull property neighbors are volunteering to build pathways and make the park more accessible. He said they have an expert serving as trail master and are seeking ways to market park use and promote events. He commented that it is nice to see the ownership they are demonstrating and the PRAB looks forward to hearing about their plans.

Mayor Dirksen said staff is trying to organize a tour of new park properties for council but it has been difficult to schedule. He said a large number of people attended the Fields property event where the formal announcement was made that the city was receiving that property. He said people were amazed at the beauty and size of the meadow in the back part of the property, and he looks forward to the master planning process for the new parks and the value they add to the community.

Council President Buehner said she will be attending West Linn Planning Commission meetings related to the Lake Oswego/Tigard Water Partnership on Wednesday and Thursday of this week and will give an update at the next council meeting.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

E. Call to Council and Staff for Non-Agenda Items: None

2. RECEIVE BRIEFING ON AN INTERGOVERNMENTAL AGREEMENT WITH METRO REGARDING FANNO CREEK TRAIL SIGNAGE

Parks and Facilities Manager Martin briefed council on an item for the October 23, 2012, consent agenda. Metro received a grant from ODOT to place signage on Intertwine trails, which include the Fanno Creek Trail. Tigard will provide \$5,000 in matching funds from the parks maintenance budget for sign installation. Councilor Wilson said he liked the signs and the idea that they will be uniform throughout the regional park system. He asked if the city would be allowed to make changes or relocate them as park improvements are made. Parks and Facilities Manager Martin said he requested guidelines for uniformity and did not foresee problems with moving or changing the signs.

Councilor Woodard requested mileage markers. Councilor Henderson noted that Tualatin has color-coded park signage. Parks and Facilities Manager Martin requested that council interested in going on the parks tour can contact him and he will forward a calendar link.

3. FIRST QUARTER BUDGET COMMITTEE MEETING

Finance and Information Services Director LaFrance said he would cover where the city has been, where it is now and where it is going. He said his presentation was mostly informational, but feedback is sought regarding the budget process. He said staff is in the early stages of the fiscal year 2014 budget and want to design a process that meets the needs of the Budget Committee.

Assistant Finance Director Smith-Wagar gave an update on the fiscal year 2012 audit. She said the auditors are in their final week of fieldwork and it is going very well so far. She reported that there were no budget over-expenditures last year. She said a letter went out from the auditors to councilors asking if they had any concerns and these are due to the auditors by October 26, 2012. She will report on the completed audit at the next quarterly Budget Committee meeting. Finance and Information Services Director LaFrance mentioned that a long-time goal of staff has been to complete an audit by Thanksgiving, which did not seem possible in prior years. He said even though there is a staffing difficulty due to the retirement of Accountant Gende after twelve years of service, staff remains hopeful about meeting that goal this year.

Finance and Information Services Director LaFrance presented the first quarter financial report for fiscal year 2013 and distributed a copy to council. A copy has been added to the packet for this meeting.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

He said he would not discuss every fund but wanted to draw attention to some items:

- While it is 25 percent of the way through the fiscal year, some operating programs have spent more than 25 percent. This is because the city has 26 (not 24) pay periods. One of the extra pay periods occurred this quarter. Since payroll is the largest expense in most operations, some operations are near 27 percent of budget at the end of the first quarter. He said all operating program and fund spending is at 26 percent or less.
- It is important for the General Fund's stability to spend at or under 95 percent of the budget. Spending at this time is slightly above this rate and this will be monitored closely.
- The General Fund revenues are well below 25 percent which is anticipated since most property taxes are received in November and December. This first quarter illustrates the importance of the beginning fund balance. It is anticipated that just prior to the time the property tax collections are in, the city will have less than \$1 million in the bank for the ending fund balance.
- Some capital funds are over the 25 percent mark. They don't conform to the 25 percent rule because of project timing. The Parks SDC Fund has spent over 80 percent of budget due to large park land purchases, such as the recent purchase of the Fields property. The street maintenance fund is ahead of pace because most large paving projects are completed in the summer months.
- Water CIP Fund expenditures are below pace because Lake Oswego has not billed Tigard yet. They generally bill quarterly, based on actual expenditures and they must close their books on their first quarter before they can submit a bill to Tigard.

Council President Buehner noted that PGE franchise revenue is not received until March or April and that is a substantial amount. She said the city had experienced issues in the past with receiving shared revenues from the state and other agencies in a timely manner and asked if the situation had improved. Finance and Information Services Director LaFrance responded that it had not changed and budget cuts across the state may further delay remittances to cities. Councilor Henderson asked about the gas tax receipt timeline. Mr. LaFrance said the first month of the fiscal year collection doesn't reach Tigard until September. He discussed the process for collecting the gas tax from the stations and distributing it to the city.

Finance and Information Services Director LaFrance noted that Council previously approved the formation of an Audit Committee and this will get underway by the end of the year. It will consist of three members; one city councilor (selected in January), a Budget Committee member and a citizen-at-large, preferably with a CPA background. Budget Committee interviews are scheduled in November and the applicant pool can be used for the citizen-at-large member. City Manager Wine said there are two open positions for the Budget Committee and six applicants to date.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Finance and Information Services Director LaFrance said he received questions from citizen members of the Budget Committee regarding the additional \$500,000 between what was programmed in fiscal year 2013 and the annual \$700,000 amount of the franchise fee that will be eventually received. He distributed two General Fund forecasts to the Budget Committee; one as adopted, and one showing an additional \$500,000 in operations, starting in 2014. Copies of the forecasts are in the supplemental packet for this meeting. He said while this is not a drastic change, the \$500,000 takes a five-year sustainability forecast into a two-year sustainability forecast. He said after two years the city would no longer be able to hit the target of having enough fund balance to sustain it in the next fiscal year.

Budget Committee Chair Goodrich said the Budget Committee members were striving to ensure that the budget was balanced, and they agreed, unanimously he thought, to support the franchise fee increase. He said concerns were expressed about keeping the franchise fee at the same level and they discussed, if the city's budget and the economy improve, not charging the same rate.

Budget Committee Member Rone suggested that with the uncertainties facing the city and the general economy it would be prudent for departments to continue budgeting as in the first forecast; that is, not allocate additional money in 2014. He said if other dependable funding arrives then the Budget Committee can allocate a nominal amount of extra revenue, or decide to return it to the citizens. He said he wasn't sure how that would work or what the positive or negative fallout would be. He further suggested that the additional funds not be given to city departments, but set aside for council to use for projects which meet their goals and Tigard citizens' requirements. He said if those targets are not affected by cuts, the additional funds could be allocated to a long-term necessary project or refunded to the citizens.

Councilor Wilson asked if the first forecast includes a PERS increase. Finance and Information Services Director LaFrance said the PERS increase does not occur until 2014. He estimates that it will cost \$150,000 annually because only police employees are affected. He said the City of Tigard will not take as big of a hit as many other local governments because of the relatively small percentage of the workforce in the PERS system.

Mayor Dirksen said Mr. Rone's concept was interesting and worthy of further discussion. He thanked him for bringing it up now so the Budget Committee can be considering it prior to budget discussions next year.

Finance and Information Services Director LaFrance said he anticipates that this discussion will be ongoing and this is one reason staff wants to meet quarterly. Mayor Dirksen said typically it is the City Manager and the Finance Director who prepare the proposed budget and if Council wants to pursue Mr. Rone's idea they would forward it to them.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Budget Committee Member Rone asked if city departments begin to look at their budget numbers in December. Finance and Information Services Director LaFrance said they do but budget instructions have not yet been developed. He said the departments will most likely be asked to budget the same number of staff and the same number for supplies, and anything beyond that will require a specific request. He said staff is waiting for a few key pieces of information including the audited actuals and an estimate of the fiscal year ending numbers.

Finance and Information Services Director LaFrance gave the Budget Committee a handout of a workflow document showing preparation of the annual budget document. This document has been added to the packet for this meeting. He asked for feedback on whether staff is providing the right kind of information for the Budget Committee to make the necessary decisions. He asked if there was anything missing. He noted that staff received feedback requesting more information on contingencies so that was provided in the last budget document.

Budget Committee Chair Goodrich asked for Transfers to be added so the Budget Committee can follow the trail. Finance and Information Services Director LaFrance said the adopted budget is online and he can email that section so members can see what additional information is desired.

Councilor Woodard commented that the \$5 million fund balance seemed low to him and asked if this was a common fund balance amount for other area cities. He said he would like the city to have more of a reserve and asked if this was their goal. He referred to Budget Committee Member Rone's earlier comments and stated he agreed with erring on the side of conservatism. Finance and Information Services Director LaFrance said this is something for continual discussion and it was his preference for the city to have more reserves. Councilor Woodard said \$150,000 for PERS is a significant amount and although we are not budgeting yet, was it possible to set aside the additional dollars now. He said the city has to stay creative and bring in other innovative programs that offset some of these expenditures. He said the city was good at providing services but not so much at redeeming or recouping dollars.

Mayor Dirksen said that during the current fiscal year's budget process it was suggested that the franchise fee may provide a cushion to allow spending on things the city wanted to do. But, he said, when looking at the scenario allocating those extra funds as considered, expenditures begin to overtake revenues in 2015. He said increasing our reserves might mean further cuts to existing services.

Councilor Wilson said he keeps budget copies from year to year and finds it helpful to have snapshots of the city to make comparisons easy. He noted that the format is not always consistent and suggested standardization of information. Finance and Information Services Director LaFrance said staff will look at five to ten years of budget documents to see what

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

may have been dropped. Councilor Wilson said there should be standard workload statistics included each year; for example, population data, park acreage, and library circulation. Mr. LaFrance said statistics such as circulation data are available within the library budget narrative but staff could pull some of the major workload factors that relate to the budget and consolidate them in one area.

Councilor Henderson said he agreed with a lot of what was being discussed but commented that it was awkward for the Budget Committee to identify new revenue sources at the last minute last year. He urged that the Budget Committee pay attention to this and not let it happen again. He said, “We make a budget and we need to live by the budget.”

City Manager Wine commented on the last fiscal year budget process, saying the city was not in an ideal situation last year. She said the city did everything it could do within the resources available. She said she would not call last year’s budget a bellwether for the kind of decisions or tradeoffs the Council will have to make every budget year.

Councilor Wilson added that the Budget Committee had talked for years about whether or not to increase franchise fees. He said it was the last opportunity to raise a fee like that. We may find ways to generate revenue, such as raising the business license fee, but there are fewer tools available to us now.

Council President Buehner said two issues that will have a tremendous impact on the city over the next three to five years are the continued constriction of state revenues and the issue of counties going under, requiring some of their services to be picked up by the state. She said, “Services have to be paid for, one way or another. I am very concerned about the loss of shared revenues. We need to be thinking of that.” She said if building starts up and SDCs start coming in again, that will be good for us but housing construction is out of our control.

Councilor Woodard referred to a website listing 41 National Indicators for Performance and suggested the city go through this exercise. He asked Finance and Information Services Director LaFrance if there was any thought to measure how the city is doing. This would measure opportunities, risk analysis, and performance. Mayor Dirksen said there are performance standards listed in the front of the budget document that all departments use as a basis for their budget. He gave an example from the police department.

Finance and Information Services Director LaFrance summarized what he will do: provide more information on transfers, see if staff can update, consolidate and highlight some performance measures and statistics. He said staff anticipates coming to the Budget Committee with a proposed budget that is within the authority of staff, which uses the resources already approved by council. The authority for changing revenues rests with Council, frequently at the recommendation of the Budget Committee. He noted that the solid waste franchises will be reevaluated within the next year or two and the Budget Committee

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

said if this happens during the course of the next year, the current franchise amount of four percent should be examined. He said this may be included in next year's budget.

Finance and Information Services Director LaFrance said the Long Term Financial Plan was scaled down to be more of a financial options report. It was given to council and the Mayor's Blue Ribbon Task Force. The Task Force will be coming to Council on December 18 with a summary of the Task Force's recommendations.

Budget Committee Chair Goodrich said the Blue Ribbon Task Force has concerns about Tigard's image. He noted that the Washington Square store ribbon-cutting was done by Beaverton mayor. Tigard doesn't have its own post office. Some of the entryway signs for the city are nice but it is hard to find information about Tigard in the activities section of the Oregonian. He said the committee talked about developing the downtown core area and what it will take to get a developer excited about putting something into downtown. He suggested turning Highway 99W into a revenue source by adding photo red light system.

Budget Committee Graber said the Blue Ribbon Task Force discussions have been great and she enjoys strategizing about how to get more businesses into the city and improve Tigard as a whole.

Mayor Dirksen said he attended the first Blue Ribbon Task Force meeting, gave them their charge and left, not wishing to skew the results. He said he was pleased at how members on the Task Force got up to speed quickly and immediately entered into some great discussions on what could make Tigard better. He noted that the Task Force will be coming to a Council meeting in December to present their recommendations.

Finance and Information Services Director LaFrance said the Task Force was given the charge of recommending how Tigard should spend its next dollar. Councilor Henderson asked if minutes are produced. City Manager Wine said the agendas and summary minutes are posted on line.

At 7:57 p.m. Mayor Dirksen called for a five-minute break.

Mayor Dirksen called the meeting back in session at 8:07 p.m.

4. ECONOMIC DEVELOPMENT DISCUSSION

Joining Council for this discussion were Planning Commissioners Muldoon and Anderson; City Center Advisory Commissioners Hughes, Thornburg, Murphy and Shearer; and Redevelopment Project Manager Farrelly.

Mayor Dirksen said this is an important discussion and will become more so with time. He said during his tenure on council, focus has been on improving infrastructure such as the

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

city's water, sewer and roads, but the city has reached a point where the attention is shifting to development issues related to increasing vitality, maintaining existing businesses and successfully competing for new businesses and development.

City Manager Wine framed the discussion with her observation that there was a need to listen to each other's definition of what economic development in Tigard means and help identify issues. This workshop allows the Planning Commission and City Center Advisory Commission members and Council to work together to develop a common language. She noted that in July, Councilor Woodard gave a presentation and council has also heard from other councilors, board and committee members who have explored this. She said hearing ideas about "what economic development means to Tigard" and "what the city's role and next steps are" would be helpful guidance for staff.

Mayor Dirksen suggested going around the table to afford everyone an opportunity to share their ideas on what economic development in Tigard means to them. He said that when this agenda item was published there were several reports attached and he requested other documents be included. He said the while none of the documents created over the years present an economic development strategy, all contain components that could be assembled into one. He highlighted the following reports: Tigard Downtown Future Vision, the Downtown Development Strategy Update and the Economic Analysis done last year. He referred to City Manager Wine's email where she said with those building blocks and a fairly short amount of time she could assemble a draft economic strategy document. He said, "I don't think it is something we need to create from whole cloth. Every piece of information we need to create a strategy is in these documents. This may be a direction we want to take – have her office take the information and make a first attempt to create a strategy document."

Council President Buehner said her occupation is real estate attorney and she recently attended a seminar in September titled Easements and CCR's that had some information pertinent to the ongoing discussion of public/private partnerships. She said there are five basic concepts to public/private partnerships, referenced on page four of her handout, which is included in the supplemental packet material for this meeting.

- Clear definitions and roles
- Developing successful, mutually beneficial relationship
- Holistic in terms of planning, not just construction; how will it work
- Have an integrated internal and external communication plan
- A pervasive spirit of stewardship in partnership activities

She distributed a handout about a particular project in Northwest Portland and the issues of a complex, mixed-use redevelopment construction project being built next to a busy shopping center. Regular, weekly meetings were held to encourage communication.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

She stressed that one of the most important matters for the city as it goes through economic development in the downtown is what kind of agreements are needed. She said she had a copy of a master agreement and will make it available to anyone who would like to see it. She said the critical thing is that they did not only rely on the written agreement. It is imperative to have a day-to-day working relationship. Construction took one and one-half years, which could have been devastating to nearby businesses. She related this to Tigard and a recent agreement regarding temporary parking on Burnham while Main Street Green Street is under construction.

Councilor Wilson discussed an email he sent with some research on reasons company owners built businesses where they did. He asked, “What does economic development mean in Tigard, when most people who live here don’t work here, and most people who work here don’t live here?”

Councilor Wilson researched some local mega-employers. He said Tektronix moved from southeast Portland to Beaverton because they needed more room. Decision factors were space, being in the Bell Telephone district (infrastructure) and quality of life. This was in 1950 but those things are still relevant today. He said Intel, which was outgrowing their Santa Clara site, drew a circle on a map, showing a two-hour flight from Palo Alto. The Portland area fell within that circle. Cheaper land costs, abundant, inexpensive power and water (infrastructure), and a stable and well-educated workforce led them to move their company here. The Portland area also offered social and cultural amenities appealing to the type of people Intel wanted to hire.

Councilor Wilson discussed why Columbia Sportswear left Portland, finding Washington County zoning and building officials more helpful and supportive than those in Portland. He said it would be interesting to know why Clear Channel moved out of John’s Landing to Tigard, and why InFocus moved to Tigard from Wilsonville. He said what struck him is that economic development is not that different from what Tigard has been doing for a long time:

- Improving infrastructure
- Working on a water source
- Addressing traffic congestion
- Accumulating quality of life aspects such as parks and the Broadway Rose Theater

Councilor Wilson recounted a story about a developer of an apartment complex who was building an outdoor pool. He said he knew no one would really use it but they would move in because it was there. He said if we can develop and advertise Tigard’s quality of life assets we can be more competitive in attracting businesses.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Councilor Henderson said in order to communicate, a vocabulary is needed. Referring to Council President Buehner's report earlier on the 3-P's, he said there is a process whereby we can do public/private partnerships and there is more than one way to do this. We need to work out the issues of what is best for the developer. We need to build trust and work together so one party doesn't get all the risk and the other doesn't get all the rewards.

Councilor Henderson referred to a class he took in Washington, DC on polarity management, which means that you figure out a way for everyone to become, "somewhat" a winner. He referred to the list of documents that City Manager Wine sent and said Tigard has a good plan but didn't stay with it. Staff members have left, council will turn over soon, board and committee members have left and other changes have occurred. He said the city needs to go back and see what those documents said and follow through. To him, economic development means everyone is in a winning situation.

Councilor Woodard referred to a recent CCDA meeting when SOJ consultant Knox said, "Develop the best, repeatable project." He said the economic development contracts are complex and the relationships may last for many years. He said, "You need a good economic development staff. What areas do we want to get? Redevelopment, development and looking at manufacturing opportunities."

Councilor Woodard talked about tie-ins to economic development clusters. He commented that the city is good at planning but implementing is tough. He said if we can identify what we are trying to brand and sell and get the right economic integrator and facilitator, we will develop something to implement. He referred to budget constraints and he understands the frustration of some businesses in the downtown but there are things in motion that are pretty exciting. He said if we are going to do this right and pull it together, we need to see the program and hire a community development director or integrator who has this talent.

CCAC Commissioner Shearer remarked that Tigard is uniquely positioned. It is only 20 minutes from downtown Portland, 45 minutes from Salem, 30 minutes from high-tech industries and accesses three major highways. There is developable land available in the Tigard Triangle. We have developable residential land being annexed. Tigard has many shopping and entertainment areas; e.g. Bridgeport, Progress Ridge and Washington Square, and a lot of fixed retail and services. She said positives include the study of mass transit, highway improvements and university systems that are looking to expand their branch offices here. There are other groups who need large office buildings and are considering Tigard. She said current workforce demand is changing and she suggested that the city provide an environment not only for large office locations but as an incubator for micro-businesses and the residential areas where they would like to raise their families. She said she would like to focus on looking at scientific, medical, education, and clinical service industries.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Redevelopment Project Manager Farrelly said the downtown is where the city is doing more direct economic development because of the tax increment financing. He said the Façade Improvement Plan and the new Tenant Improvement Plan are public/private partnerships, and so is the prospect of buying downtown properties to develop.

He said he met with the CEO of Agilyx and asked why he moved the company to Tigard. He said Portland really recruited hard for him, but he moved to Tigard because:

- Location to major highways
- Reasonable rents
- The people
- Being close to home
- Reasonable SDCs and business license fees
- Quality of life

He said this echos what Councilor Wilson said about Tigard already having the infrastructure and quality of life but needing to keep marketing this.

CCAC Commissioner Hughes said the downtown building code updates were an important step that involved many segments of the city's human resources. He said his own focus is not so much in finding employers for Tigard residents. He said he is troubled by the number of people in the service industries who commute to Tigard but can't afford to live here so they pack up and go somewhere else at the end of the day. Besides the human and environmental toll that exacts, there is lost income to businesses in this city. Consequently, he believes that finding a way to house people who work in our community creates opportunities that have been missed.

CCAC Commissioner Thornburg said economic development in Tigard means encouraging and adding to the solid good business downtown. Adding shops and restaurants facilitates others and would help those who are expected to live downtown above the shops. He said he believes that what is good for downtown Tigard is good for the entire city in the long run. He mentioned living in Europe and two of the things he found were higher density and well planned stores. He said, "You won't find strip malls. The shops are together and everything is available downtown." He said he wants livability, beauty and access. He suggested keeping in mind a picture of what we want and what we don't want.

CCAC Commissioner Murphy he does not want people to experience buyer's remorse after relocating here. He said the city should do some outreach when businesses choose to locate here. He said someone needs to let them know we appreciate that they chose Tigard. If this isn't being done, it should occur immediately. They may become ambassadors to other businesses. He suggested encouraging people to use amenities in the downtown area and he would like to feature the urban creek, a windmill and daffodils. Mayor Dirksen said there is variety of daffodil called "Tigard Daffodil" and planting them would encourage pride.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Planning Commissioner Anderson said the economic analysis shows two things: the migration of high-paid jobs outside to Intel and Tektronix, and that we don't have a lot of commercial or light industrial land left. He expressed concern that River Terrace is just

another route to Hillsboro. He said there was not a lot of industrial land left in Tigard and officials will be tempted by developers to convert it to retail. He suggested keeping an eye on the remaining larger industrial parcels and balancing industrial and commercial lots

Planning Commissioner Muldoon said there were many ideas and he would like to work with Councilor Woodard to develop them. He suggested creating a straw document to guide people into a different role, or mindset – that of a corporate, wealthy investor who requires a place to develop that will provide a high level of return. He said that document could help guide ideas towards a path of success.

City Manager Wine said her goal was to collect the thoughts and perspectives of those here tonight, but she did not expect to leave the meeting with a concrete definition of what economic development is and what are the next steps the city should take. She said Planning Commissioner Muldoon's comments are helpful to acknowledge that any economic development approach we take is only as good as what the market will accept. What our role will ultimately be then is minimizing risk and achieving something in our own community, but doing it in partnership with the private sector, with the end toward improving our local economy. She hoped to capture what everyone said they want to do first, whether it is a straw document, or a more comprehensive strategy or something that builds on our economic opportunities analysis. She acknowledged the recommendation that staff focus on action, not planning.

Mayor Dirksen said that while he favors moving forward using the volumes of information included in previous studies, he is also intrigued by the straw document and thinks something like that could inform the strategy. He suggested involving someone from the development community or finding a representative sample that could help build it. He said our goal here is to come up with a conclusive strategy that we all agree on that tells us how we are going to move forward. He suggested that the City Manager identify the necessary city resources to do this and come back to council with that information.

Council President Buehner said Tigard is low on employment and manufacturing land and suggested consideration of creating another employment area in the south end of River Terrace. We will have fairly dense housing and we are looking to provide housing next to employment.

Councilor Henderson said the basic question is: why do we need an economic development program? He said there are probably about a dozen answers.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Councilor Wilson followed with things to keep in perspective. We've been through many boom and bust cycles in Oregon. He said something that makes sense in all of this that works for both times is improving the quality of life.

Councilor Woodard suggested doing a word-cloud exercise which will help develop a theme.

Mayor Dirksen asked if there was agreement around the table to ask staff what it would take to assemble a draft document for council review based on what Commissioner Muldoon suggested (a document addressing the needs of an entrepreneur).

Mayor Dirksen commented that there may be more industrial land available than we realize. He said as time passes and industries move or change, Tigard needs the flexibility to structure the land so new businesses can fit. He said if the city's code is only written for existing businesses, we will not be ready for the future.

5. RECEIVE POPULATION AND HOUSING REVIEW UPDATE

Associate Planner Daniels gave a presentation on the population and housing review update, which is a portion of Tigard's Periodic Review process and is funded by a DLCD grant. A PowerPoint slide show was presented and is part of the meeting packet. She reviewed housing trends, specifically discussing workforce housing. She said future employment trends indicate that Tigard may need more housing at the middle and lower end of the spectrum. She said residential land needs are determined by analyzing the area and the achieved density of residentially-zoned land in the city, and the potential development capacity in the buildable lands inventory. Total Housing Units show that Tigard would need 6500 new housing units by 2030. Most would be ownership units and the most common need is for single-family detached housing.

Associate Planner Daniels said Tigard has capacity for 7000 more units in the buildable land inventory, which is more than we need.

Council President Buehner asked that since the trend is towards more workforce housing, should the city be projecting for more duplex and triplex multi-family housing. Associate Planner Daniels agreed that the trend is more workforce and attached-wall housing for young buyers.

Councilor Wilson said he was surprised to see only 347 multi-family units listed in Area 64 because he thought there were more on Washington County's proposal. Associate Planner Daniels explained that in mixed use zoning, residential units are not required so they are not counted. Mayor Dirksen said the potential zoning for that area shows that more housing can be allowed but it doesn't guarantee it will be built. Council President Buehner asked if the city should consider a higher density than R-25 for the downtown and in the Triangle areas.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

Associate Planner Daniels clarified that this report is on population estimates and her goal for the presentation is to show Council how Tigard is meeting it. She said she had good news - the comprehensive plan does a good job of addressing the need for a variety of housing types and there is sufficient capacity for new housing. She said that looking at the requirement for attached housing and the target density, Tigard far exceeds policy and code compliance with federal regulations. She said this gives staff an opportunity to look at how the code works now and anticipate future changes to allow the types of housing we want to see in Tigard. She gave examples of cottage and live/work housing. This will be discussed with the CAC/ TAC at their next meeting.

In response to a question from Mayor Dirksen, Interim Community Development Director McGuire responded that Metro provides the population projections, using data from Portland State.

Councilor Wilson asked about the underlying data predicting housing ratio demands. He said the population is aging, in spite of what is being predicted about the young creative types moving here. What he heard a speaker from the Portland Metropolitan Realtors group say recently is that what is really needed is housing without stairs. This doesn't work for row houses. Interim Community Development Director McGuire said even with the growing, aging population, there are still young people who want more vibrant city/attached housing. He suggested providing housing for both needs. Council President Buehner said she has been parsing through the census data and the generalities of the metro area may not reflect Tigard.

Associate Planner Daniels said the baby boomer generation is expected to remain healthier and active longer than their parents so they will be transitioning later. Their housing legacy will be leaving a large stock of suburban homes to generations with lower incomes and/or a preference for more urban settings. Councilor Woodard asked about the metro housing goal. Mayor Dirksen said the requirement is ten units per acre. Councilor Woodard asked if the city can comply by averaging, and Mayor Dirksen confirmed this was true. Councilor Woodard said that the city needs to keep in mind different kinds of housing so that people will stay in Tigard as they age and we can keep the tax base here.

City Manager Wine said staff will be coming to Council soon regarding the River Terrace Community Plan and what the density averages there could look like.

Associate Planner Daniels said future work will include a housing strategy report which will wrap into the Goal 10 Population and Housing Report, to be scheduled for Planning Commission and Council consideration.

6. COUNCIL LIAISON REPORTS – None.

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012

7. NON AGENDA ITEMS – None.
8. EXECUTIVE SESSION – None.
9. ADJOURNMENT At 9:55 p.m. Council President Buehner moved for adjournment. Councilor Wilson seconded it and the motion passed unanimously.

	Yes	No
Councilor Wilson	✓	
Council President Buehner	✓	
Mayor Dirksen	✓	
Councilor Henderson	✓	
Councilor Woodard	✓	

/s/Carol A. Krager
Carol A. Krager, Deputy City Recorder

Attest:

/s/Craig E. Dirksen
Craig Dirksen, Mayor

November 27, 2012

TIGARD CITY COUNCIL MINUTES – OCTOBER 16, 2012